GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1340
ANSWERED ON:07.12.2015
LNG Pipeline Network
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government proposes to expand LNG pipeline network in the country;
(b) if so, the details thereof along with existing network in Telangana as compared to other States during the last three years and parameters adopted for expanding the LNG pipeline network;
(c) whether the Oil Marketing Companies including Oil and Natural Gas Corporation Limited, Gas Authority of India Limited and Petronet LNG have signed a Memorandum of Understanding for setting up of LNG Regasification Terminal in the country including Mangalore port;
(d) if so, the details thereof along with the contract signed with the said companies to set up LNG Terminal, State/UT/company-wise;
(e) whether the Government has identified potential equipment and measures required for the import of LNG and if so, the details thereof; and
(f) whether any study has been carried out to identify potential projects that utilise LNG and if so, the details of such projects and estimated cost of each project?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a) & (b): At present, natural gas is not transported in liquefied form through pipelines. The Central Government has established Petroleum and Natural Gas Regulatory Board (PNGRB) under the PNGRB Act, 2006. PNGRB is the Competent Authority for granting authorization to entities for developing natural gas pipeline on common carrier or contract carrier basis. Under the Act, PNGRB has notified the PNGRB (authorizing entities to lay, build, operate or expand natural gas pipeline) Regulation, 2008 for granting authorization to entities. These Regulations provide for
initiation of proposal for grant of authorization through Expression of Interest (EoI) route or suo-moto by PNGRB, public consultation process and subsequently selection of an entity through competitive bidding process. The bidding entities shall quote the transportation tariff and the volume flow for the next 25 years. PNGRB selects the entity which quotes the lowest transportation tariff and highest volume to be flown over the next 25 years.
(c) & (d): ONGC signed Memorandum of Understanding (MoU) with New Mangalore Port Trust (NMPT), Mitsui and BPCL for carrying out feasibility study for setting up LNG regasification terminal at Mangalore. IOCL is setting up 5 MMTPA LNG regasification terminal at Ennore in the State of Tamil Nadu. GAIL and IOCL have signed separate MoUs with Dhamra LNG Terminal Pvt. Ltd. for booking of capacity in their proposed LNG terminal in the State of Orissa. Andhra Pradesh Gas Distribution Corporation (APGDC), an affiliate company of GAIL in collaboration with the Govt. of Andhra Pradesh is promoting setting up of a Floating Storage Regasification Unit (FSRU) based LNG terminal in Kakinada. In this regard, a Joint Venture Agreement has been signed among APGDC, GDF Suez Energy India Private Limited and Shell Gas and Power Development B.V.
(e) & (f): At present, Liquefied Natural Gas (LNG) is imported in the country under Open General License (OGL). LNG is imported in the country by various marketer based on its demand. The volumes are tied up mutually between the buyers and sellers depending upon the requirements. It is the discretion of the marketers and LNG terminal operators to undertake the surveys/study for ascertaining the demand before deciding to procure an LNG cargo.
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